# Public Utilities Commission of the State of California

Results of Public Agenda 3161
Meeting Held on Thursday, October 27, 2005 10:00 a.m.
San Francisco, California

Commissioners
Michael R. Peevey, President
John A. Bohn
Geoffrey F. Brown
Dian M. Grueneich
Susan P. Kennedy

Website: http://www.cpuc.ca.gov

# Scheduled Commission Meetings 505 Van Ness Avenue, San Francisco

Ratesetting Deliberative Meeting* Room 5305 (1:30 p.m.) Closed to the Public	Commission Meeting Auditorium (10 a.m.) Open to the Public
Tuesday, November 15, 2005 (San Francisco)	Friday, November 18, 2005 (San Francisco)
Monday, November 28, 2005 (San Francisco)	Thursday, December 01, 2005 (San Francisco)
Monday, December 12, 2005 (San Francisco)	Thursday, December 15, 2005 (San Francisco)

<sup>\*</sup>Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.

For further information contact the Public Advisor (415) 703-2074 E-mail: public.advisor@cpuc.ca.gov



This location is accessible to people with disabilities. If specialized accommodations for the disabled are needed, e.g. sign language interpreters, please call the Public Advisor at (415) 703-2074 or TTY# (415) 703-5282 or toll free # 1-866-836-7825 three business days in advance of the meeting.

#### **PUBLIC COMMENT**

The following items are not subject to public comment:

All items on the closed session agenda; these are HEX and EX items.

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#### **Public Comment:**

#### **Consent Agenda**

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

#### **Orders and Resolutions**

#### 1 Res TL - 19065

[4909]

Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.

### Outcome Approved

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 2 Res ALJ 176-3161

[4910]

Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

### 3 C05-06-010 - Jack Miller vs. California Water Service Company.

[4933]

Complaint dismissed. This complaint seeks to reduce water rates. This issue should be considered in A05-08-013, defendant's recently filed rate increase application. This proceeding is closed.

(Comr Brown - ALJ Barnett)

#### **Outcome Signed**

D05-10-023

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

# 4 R01-08-028 - Order Instituting Rulemaking to examine the Commission's future energy efficiency policies, administration and programs.

This decision resolves various petitions to modify Decision 03-12-060.

(Comr Kennedy - ALJ Weissman)

#### **Outcome Signed**

D05-10-024

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

# 5 R04-03-017 - Order Instituting Rulemaking regarding policies, procedures and incentives for distributed generation and distributed energy resources.

This decision denies the petition to modify D04-12-045 filed by California Independent Petroleum Association alleging the Commission has failed to implement the provisions of Assembly Bill 1684, Chapter 675, Stats. 2004 with regard to the eligibility of "waste gas" for Level 1 distributed generation subsidies.

(Comr Peevey - ALJ Malcolm)

# Outcome Signed (Comr. Bohn recused himself from this agenda item and was not part of the quorum in its consideration.)

D05-10-025

Yes: (Brown, Grueneich, Kennedy, Peevey)

#### 6 C04-12-025 - Utilisource fka Eastern Pacific Energy vs. San Diego Gas & Electric Company.

[4947]

C04-12-026 - Related matters. This decision grants San Diego Gas & Electric Company's and Pacific Gas and Electric Company's respective motions to dismiss the cases against them filed by Utilisource, fka Eastern Pacific Energy, Inc. This proceeding is closed.

(Comr Brown - ALJ Econome)

### Outcome Signed

D05-10-026

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 7 Res W-4564 - Fruitridge Vista Water Company (FVWC).

[4961]

This resolution authorizes FVWC a one-time surcharge to recover Department of Health Services fees producing an increase in annual revenues of \$10,793 or 0.99%. (Advice Letter 79, filed July 13, 2005)

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 8 A02-05-004 - Southern California Edison Company.

[4963]

For authority to, among other things, increase its authorized revenues for electric service in 2003, and to reflect that increase in rates. I02-06-002 - Related matters. This decision denies petition for modification filed by Greenlining Institute. It requests additional intervenor compensation for work that was considered and compensated in D05-06-031. These proceedings are closed.

(Comr Kennedy - ALJ Barnett)

#### **Outcome Signed**

D05-10-027

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

#### 9 Res T-16962

[4965]

This resolution revokes the certificates of public convenience and necessity (CPCN) of UKI Communications, Inc. (CPCN#6283), Premier Telecom, Inc. (CPCN#6730), and New Century Telecom, Inc. (CPCN#5912), for violation of D93-05-010 Ordering Paragraph 4.

#### Outcome Approved

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

### 10 Res E-3954 - Southern California Edison Company (SCE).

[4966]

SCE submits an Advice Letter requesting to modify Preliminary Statement Section ZZ, Energy Resource Recovery Account to include payments made by SCE for its participation in the Lower Colorado River Multi-Species Conservation Program. SCE's request is approved with modifications. (Advice Letter 1884-E, filed April 8, 2005)

#### Outcome Approved

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 11 A05-03-005 - SBC California.

[4968]

This decision rules on motions to dismiss the application for a surcharge and a balancing account to recover undergrounding cost in the City of San Diego from Office of Ratepayer Advocates, California Association of Competitive Telecommunications Companies, XO Communications Services, Inc., MPower Communications Services, Inc., and Telscape Communications, Inc.

(Comr Peevey - ALJ Bushey)

#### **Outcome Signed**

D05-10-028

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 12 Res TL-19063

[4969]

This resolution sets the Transportation Rate Fund fee to be paid by household goods carriers at one-half of 1% (0.005) of gross operating revenue for the period July 1 to December 31, 2005, and seven-tenths of 1% (0.007) of gross operating revenue for the period January 1 to June 30, 2006.

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

#### 13 (ECP) C05-07-006 - James A. Arunga vs. Pacific Gas and Electric Company.

[4980]

This decision dismisses C05-07-006, and this proceeding is closed.

(Comr Brown - ALJ Ryerson)

#### **Outcome Signed**

D05-10-029

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 14 Res ST-80 - Bay Area Rapid Transit District (BART).

[4981]

This resolution approves BART's Safety Certification Plan (SCP) for the Warm Springs Extension Project in accordance with General Order 164-C. BART requested Commission's approval for its SCP on August 23, 2005. The proposed system is a 5.4-mile extension from the existing Fremont Station to a proposed new station in the Warm Springs district of the City of Fremont.

#### Outcome Approved

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 15 Res ST-81 - Bay Area Rapid Transit District (BART).

[4982]

This resolution approves BART's Safety Certification Plan (SCP) for the Earthquake Safety Project in accordance with General Order 164-C. BART requested Commission's approval for its SCP on August 23, 2005. BART will be doing seismic retrofits at selected locations along the original BART system including 34 stations and 71.5 miles of double track extending from Richmond to Fremont and Concord to Daly City. This will enhance and upgrade the overall safety of the BART system over the next several years.

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 16 Res E-3871 - San Diego Gas & Electric Company (SDG&E).

[4983]

SDG&E requests approval of its Distribution Performance-Based Ratemaking revenue sharing and quality of service performance results for the year 2003. SDG&E's request is approved. (Advice Letter 1583-E/1444-G, filed April 1, 2004)

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

### 17 Res T-16958 - Verizon California, Inc. (Verizon).

[4986]

This resolution approves an Interconnection Agreement between Verizon and Global Connection Inc. of America, in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letters 11278 and 11279, filed August 29, 2005)

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 18 Res T-16959 - Verizon California, Inc. (Verizon).

[4987]

This resolution approves an Interconnection Agreement between Verizon and GTC Telecom Corp. in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letters 11280 and 11281, filed August 29, 2005)

### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 19 Res W-4566 - Sonora Water Company (Sonora).

[4988]

This resolution authorizes Sonora a general rate increase producing an additional annual revenue of \$22,381 or 16.6% in test year 2005.

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 20 Res W-4567 - Cobb Mountain Water Company (Cobb Mountain).

[4989]

This resolution authorizes Cobb Mountain a general rate increase producing additional annual revenue of \$3,391 or 24.22% in 2005.

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

# 21 Res W-4565 - Del Oro Water Company (Del Oro), Paradise Pines District and Country [4990] Estates District.

This resolution authorizes Del Oro a surcharge to recover an increase in water quality expenses producing an increase in annual revenue of \$10,000 or 0.68% for the Paradise Pines District and \$420 or 0.56% for the Country Estates District. (Advice Letter 138, filed June 13, 2005)

#### Outcome Approved

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

# R04-04-025 - Order Instituting Rulemaking to promote consistency in methodology and input assumptions in Commission applications of short-run and long-run avoided costs, including pricing for qualifying facilities.

This decision awards the Green Power Institute and the Natural Resources Defense Council \$15,466.00 and \$3,110.00, respectively, in compensation for their contributions to D05-04-024. (Comr Kennedy - ALJ Halligan)

# Outcome Signed (Comr. Grueneich recused herself from this agenda item and was not part of the quorum in its consideration.)

D05-10-030

Yes: (Bohn, Brown, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

# R04-04-003 - Order Instituting Rulemaking to promote policy and program coordination and integration in electric utility resource planning.

This decision grants the request of the Utility Consumers Action Network for intervenor compensation in the amount of \$72,109.33 for its contribution to D04-12-048.

(Comr Peevey - ALJ Brown)

# Outcome Signed

D05-10-031

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

#### 24 A04-01-034 - Southern California Gas Company.

[4993]

For authority to establish a revenue sharing mechanism for the production of native gas. This decision extends the 18-month statutory deadline pursuant to Public Utilities Code Section 1701.5 for resolving this proceeding, by 60 days to January 26, 2006.

(Comr Brown - ALJ Wong)

# Outcome Signed (Comr. Bohn recused himself from this agenda item and was not part of the quorum in its consideration.)

D05-10-032

Yes: (Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 25 Res W-4568 - Cazadero Water Company, Inc. (Cazadero).

[4995]

This resolution authorizes Cazadero an interim general rate increase subject to refund, producing an increase in gross annual revenues of \$1,600 or 5.0%.

### Outcome Approved

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 26 A05-03-014 - SuperShuttle of San Francisco, Inc. (Applicant).

[4998]

This decision authorizes Applicant to revise its passenger fares and to establish an expanded zone of rate freedom. This proceeding is closed.

(Exam Clark)

#### **Outcome Signed**

D05-10-033

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

#### 27 A05-06-033 - Alan Erwin Jr., Anita Erwin and Michael Erwin, dba Care-A-Van.

[4999]

This decision authorizes Alan Erwin Jr., Anita Erwin, and Michael Erwin, a partnership, to operate as a passenger stage corporation between certain communities and points in Placer, Sacramento, Solano, Yolo, and Yuba Counties, on the one hand, and San Francisco and Sacramento International Airports, on the other hand. This proceeding is closed.

(Exam Clark)

### **Outcome Signed**

D05-10-034

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 28 A05-08-036 - Harbor Bay Maritime, Inc. (Applicant).

[5000]

This decision authorizes Applicant to increase passenger fares on its passenger vessel common carrier service between Alameda and San Francisco. Most fare categories will rise \$0.05 to \$0.20 per trip above fares currently in effect under a Commission-authorized temporary fuel surcharge. This proceeding is closed.

(Exam Clark)

#### Outcome Signed

D05-10-035

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 29 A05-06-021 - Gulsen M. Yakubova.

[5001]

This decision authorizes Benko Youriev and Blago Ognaianov to sell to Gulsen M. Yakubova all of the issued and outstanding stock of North Bay Airport Express Shuttle, Inc., a passenger stage corporation. This proceeding is closed.

(Exam Clark)

#### **Outcome Signed**

D05-10-036

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

#### 30 Res E-3957 - Southern California Edison Company (SCE).

[5006]

SCE requests approval of a new solar energy renewable resource procurement contract with SES Solar One LLC. This contract is approved. (Advice Letter 1909-E, filed August 11, 2005)

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 31 A05-04-026 - State of California, Department of Transportation (Caltrans).

[5007]

This decision grants Caltrans' request to grade-separate the existing at-grade crossing of BNSF Railway Company's San Bernardino Subdivision tracks and State Route 90, also known as Imperial Highway, and to also construct a temporary at-grade crossing east of the existing crossing, in Orange County.

This proceeding is closed.

(Exam Clark)

#### **Outcome Signed**

D05-10-037

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 32 A03-12-008 - California Water Service Company.

[5011]

For an order authorizing treatment of net proceeds from real property sales as subject to Pub. Util. Code Section 790 and for establishment of memorandum accounts to record net sales proceeds. A04-08-017 - Related matters. This decision extends the statutory deadline of a final decision in this proceeding to January 3, 2006.

(Comr Kennedy - ALJ Galvin)

#### **Outcome Signed**

D05-10-038

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

### 33 A05-07-008 - Seren Innovations, Inc. and WaveDivision Holdings, LLC.

[5012]

This decision approves the transfer of assets and certificate of public convenience and necessity of Seren Innovations, Inc. to WaveDivision Holdings, LLC. on an expedited basis, effective immediately. This proceeding is closed.

(Comr Kennedy - ALJ Ryerson)

**Outcome Signed** 

D05-10-039

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

# 34 (Rev.) C03-09-001 - Casmalia Community Services District vs. Unocal Corporation, aka Casmite Water System.

A03-12-024 - Related matters. In this proceeding, the 18-month deadline for resolving this matter is September 6, 2005 (the first business day after the actual deadline). The parties had requested that release of the Administrative Law Judge's proposed decision be stayed to allow a final (and ultimately unsuccessful) effort to settle the proceeding. Consequently, the Commission adopted D05-08-026 extending the dealine for resolving the proceeding. Because Pub. Util. Code § 1701.5(a) limits an extension order to 60 days, D05-08-026 extended the proceeding dealine only to November 8, 2005. This decision would extend the deadline until January 9, 2006.

(Comr Brown - ALJ Thorson)

10/21/2005 - This revision was not shown on the Agenda mailed to the public.

#### **Outcome Signed**

D05-10-040

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

Public Agenda 3161 Thursday, October 27, 2005

# Regular Agenda

### **Energy Orders**

# 35 R04-04-026 - Order Instituting Rulemaking to implement the California Renewables

[4748] Portfolio Standards Program.

This decision sets forth the basic parameters for the participation of Energy Service Providers, Community Choice Aggregators, and small and multi-jurisdictional utilities in the Renewables Portfolio Standards program.

(Comr Peevey - ALJ Allen)

Agenda 3157, Item 51 8/25/2005 (Peevey);

Agenda 3158, Item 22 9/8/2005 (Bohn);

Agenda 3159, Item 29 9/22/2005 (Peevey);

Agenda 3160, Item 15 10/6/2005 (Bohn)

Outcome Held (11/18/05.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

#### 35a ALTERNATE TO ITEM 4748

[4959]

This alternate lays out a policy that electric service providers, community choice aggregators, and small and multi-jurisdictional utilities must comply with certain fundamental aspects of the renewable portfolio standard (RPS) program, but that the commission may distinguish them on a policy basis from the large investor-owned utilities in terms of the manner in which they comply. The decision asks for further proposals from parties on this subject. The alternate also articulates policy preferences on the use of unbundled renewable energy credits for purposes of compliance with RPS.

(Comr Peevey)

Agenda 3160, Item 15a 10/6/2005 (Bohn)

Outcome Held (11/18/05.)

#### 36 A00-05-002 - Southern California Gas Company.

[4939]

A00-05-003, A00-05-004, A00-05-005, A01-05-003, A01-05-009, A01-05-017, A01-05-018, A02-05-002, A02-05-003, A02-05-005, A02-05-007, A03-05-002, A03-05-003, A03-05-004, A03-05-009, A04-05-005, A04-05-010, A04-05-008, A04-05-012 - Related matters. This decision adopts settlement agreements that pertain to shareholder earnings claims for energy efficiency programs between the Office of Ratepayer Advocates and each of the following utilities: San Diego Gas & Electric Company, Pacific Gas and Electric Company, Southern California Edison Company and Southern California Gas Company. This proceeding is closed.

(Comr Kennedy - ALJ Gottstein)

#### **Outcome Signed**

D05-10-041

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

# R04-04-003 - Order Instituting Rulemaking to promote policy and program coordination and integration in electric utility resource planning.

This decision requires load serving entities to demonstrate that they have acquired the capacity needed to serve their forecast retail customer load and a reserve margin beginning in June 2006.

(Comr Peevey - ALJ Wetzell)

### Outcome Signed

D05-10-042

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

# R \_\_\_\_\_\_ - Order Instituting Rulemaking concerning relationship between California energy utilities and their holding companies and non-regulated affiliates.

The Commission is instituting this proceeding to consider adopting rules to ensure that the California energy utilities' capital budgets will be sufficient to meet their customers' needs and that the utilities' parent holding companies or affiliates do not create conflicts of interest, which would undermine the utilities' ability or willingness to meet their public service obligations at the lowest possible costs.

### **Outcome Signed**

R05-10-030

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

# 39 (Rev.) R04-01-025 - Order Instituting Rulemaking to establish policies and rules to ensure reliable, long-term supplies of natural gas to California.

A00-06-023, A02-10-040 - Related matters. Consideration of the emergency Petition of Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) for modification of D02-06-023 and D03-07-037, filed October 11, 2005. The emergency petition seeks Commission approval of a proposal which would allow SoCalGas and SDG&E to undertake an expanded level of hedging of their natural gas purchases on behalf of their respective core gas customers. A00-06-023 and A02-10-040 are closed.

(Comr Kennedy, Comr Peevey - ALJ Wong)

10/25/2005 - This revision was not shown on the Agenda mailed to the public.

# Outcome Signed (Comr. Bohn recused himself from this agenda item and was not part of the quorum in its consideration.)

D05-10-043

Yes: (Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

# 40 R04-01-006 - Order Instituting Rulemaking on the Commission's proposed policies and programs governing post-2003 Low-Income Assistance Programs.

A05-06-005, A05-06-009, A05-06-012, A05-06-013 - Related matters. This decision approves various proposed modifications to the California Alternative Rates for Energy (CARE) and the Low-Income Energy Efficiency programs to help low income energy ratepayers cope with anticipated high natural gas costs in the coming winter.

(Comr Grueneich - ALJ Weissman)

#### **Outcome Signed**

D05-10-044

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

#### **Energy Resolutions and Written Reports**

#### 41 Res E-3941 - Pacific Gas and Electric Company (PG&E).

[4946]

PG&E requests authority to establish a Department of Energy Litigation Balancing Account to track incremental legal costs and proceeds associated with litigation concerning the United States Department of Energy's failure to take delivery of spent nuclear fuel from PG&E's nuclear power plants. Approved with modifications. (Advice Letter 2666-E-A, filed May 25, 2005)

### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

# 42 Res E-3958 - San Diego Gas & Electric Company (SDG&E) and Southern California Gas [4970] Company (SoCalGas).

SDG&E and SoCalGas request establishment of memorandum accounts to record call center costs associated with the California Alternate Rates for Energy program. Approved with modifications. (SDG&E Advice Letter (AL) 1721-E/1551-G, filed August 26, 2005 and SoCalGas AL 3524, filed August 29, 2005)

#### **Outcome Approved**

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

#### **Telecommunication Orders**

# 43 R01-09-001 - Order Instituting Rulemaking on the Commission's own motion to assess and revise the new regulatory framework for Pacific Bell and Verizon California Incorporated.

I01-09-002 - Related matters. This decision grants the petition of The Utility Reform Network and Office of Ratepayer Advocates to expand the years covered by the proposed New Regulatory Framework audit and denies the petition of Verizon to limit the scope of the audit in Phase III, but states that it will consider whether and how to set a cost cap for the audit in Phase III. In addition, the decision defers the commencement of the audit until the conclusion of A05-04-020 or Phase 3 of the instant proceeding, whichever is later.

(Comr Kennedy - ALJ Kenney)

Agenda 3157, Item 61 8/25/2005 (Brown);

Agenda 3158, Item 33 9/8/2005 (Bohn);

Agenda 3159, Item 37 9/22/2005 (Kennedy);

Agenda 3160, Item 19 10/6/2005 (Bohn)

#### Outcome Held (11/18/05. Further consideration.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

#### 43a ALTERNATE TO ITEM 4819

[4873]

I01-09-002 - Related matters. This alternate decision varies from the draft decision in that it does not attempt to direct ORA's audit of Verizon nor does it put limitations on ORA's audit via the allocation of funding for the audit.

(Comr Brown)

Agenda 3157, Item 61a 8/25/2005 (Brown);

Agenda 3158, Item 33a 9/8/2005 (Bohn);

Agenda 3159, Item 37a 9/22/2005 (Kennedy);

Agenda 3160, Item 19a 10/6/2005 (Bohn)

#### **Outcome Held (11/18/05. Further consideration.)**

#### **Water/Sewer Orders**

# 44 C03-09-001 - Casmalia Community Services District vs. Unocal Corporation, aka Casmite Water System.

A03-12-024 - Related matters. This decision issues a certificate of public convenience and necessity (CPCN) to Casmite Corporation to operate existing water system as a public utility, authorizes initial rates, and imposes sanctions for operating without CPCN.

(Comr Brown - ALJ Thorson)

Agenda 3159, Item 38 9/22/2005 (Bohn); Agenda 3160, Item 20 10/6/2005 (Bohn)

Outcome Held (11/18/05. Further consideration.)

#### Transportation/Rail Safety Orders

**45** [4949]

I05-06-042 - Order Instituting Investigation on Commission's own motion into operations and practices of Wine & Roses Limousine Service, dba AA Limousine, AAA Limousine, Expresso Limousine, Expresso Transportation, AAA Corporate Limousines, Total Transportation Network, and LaGrande Affaire, and its President, Steve Bonner, to determine whether they have violated the laws, rules, and regulations governing the matter in which charter-party carriers conduct operations.

This decision approves settlement agreement. This proceeding is closed.

(Comr Brown - ALJ Bushey)

Agenda 3160, Item 10 10/6/2005 (Bohn)

**Outcome Defeated** 

Yes: (Brown, Peevey)

No: (Bohn, Grueneich, Kennedy)

Abstain: (none)
Absent: (none)

# **Management Reports and Resolutions**

# 46 Executive Director Larson Report

[5015] Introduction of draft Water Action Plan.

Outcome Held (11/18/05.)

#### **Closed Session**

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the

#### **Non-Federal**

#### 48 R01-09-001 - Conference with Legal Counsel - Application for Rehearing

[4928]

I01-09-002 - Related matters. Disposition of Application for Rehearing of D04-02-063 filed jointly by the Office of Ratepayer Advocates and The Utility Reform Network. In D04-02-063, the Commission disposed of four of 72 findings resulting from an audit of SBC Pacific Telephone Company (Pacific) for the period of 1997 to 1999. Among other things, the Decision determined that Pacific had properly written off the regulatory asset associated with post-retirement benefits other than pensions (PBOPs) above the line in 1998.

Agenda 3159, Item 45 9/22/2005 (Staff); Agenda 3160, Item 26 10/6/2005 (Kennedy)

Outcome Held (11/18/05.)

### 49 R04-01-025 - Conference with Legal Counsel - Application for Rehearing

[4954]

The Utility Reform Network (TURN) and Ratepayers for Affordable Clean Energy (RACE) filed a joint application for rehearing of D04-09-022 on October 12, 2004. RACE also separately filed an application for rehearing of D04-09-022 on October 12, 2004. D04-09-022 adopts policies concerning the Phase One proposals of Southern California Gas Company, San Diego Gas & Electric Company, Pacific Gas and Electric Company, and Southwest Gas Company. These proposals were filed in accordance with this Order Instituting Rulemaking, which was opened to ensure that California does not face a natural gas shortage in the future. The policies adopted in D04-09-022 are part of the State's overall effort to implement and fulfill the Energy Action Plan's goal.

Agenda 3160, Item 28 10/6/2005 (Kennedy)

# Outcome Signed (Comr. Bohn recused himself from this agenda item and was not part of the quorum in its consideration.)

D05-10-045

Yes: (Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 50 R02-11-039 - Conference with Legal Counsel - Application for Rehearing

[4956]

Disposition of applications for rehearing of D04-05-017 and D04-05-018 filed by Mirant Delta, LLC and Mirant Potrero, LLC; Western Power Trading Forum et al.; and Elk Hills Power, LLC. D04-05-017 and D04-05-018 adopted requirements for the operation and maintenance of electric generating facilities pursuant to Public Utilities Code Section 761.3. D04-05-017 adopted Logbook Standards for thermal powerplants; D04-05-018 adopted General Order 167 implementing General Duty Standards and Maintenance Standards for electric generating facilities.

Agenda 3160, Item 29 10/6/2005 (Staff)

Outcome Held (11/18/05.)

#### 51 A03-08-004 - Conference with Legal Counsel - Application for Rehearing

[4984]

Disposition of applications for rehearing of D05-01-031 filed by Merced Irrigation District, Modesto Irrigation District, and jointly by, the Alliance of Retail Markets, California Large Energy Consumers Association and California Manufacturers and Technology Association. In D05-01-031, the Commission adopted the 2004 revenue requirements for Pacific Gas and Electric Company's Energy Resource Recovery Account and ongoing (or tail) Competition Transition Charge.

#### Outcome Signed

D05-10-046

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

### 52 A04-06-003 - Conference with Legal Counsel - Application for Rehearing

[4985]

Disposition of applications for rehearing of D05-02-040 filed by Merced Irrigation District and Modesto Irrigation District. In D05-02-040, the Commission adopted the 2005 revenue requirements for Pacific Gas and Electric Company's Energy Resource Recovery Account and ongoing (or Tail) Competition Transition Charge (CTC). CTC issues litigated in PG&E's 2004 ERRA proceeding (A03-08-004) and disposed of in D05-01-031 were also incorporated in D05-02-040.

### **Outcome Signed**

D05-10-047

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

### 53 R01-08-028 - Conference with Legal Counsel - Application for Rehearing

[4996]

Disposition of application for rehearing of D05-07-009, filed by Latino Issues Forum. In D05-07-009, the Commission denied Latino Issues Forum's request for intervenor compensation for contributions to D05-01-055, involving the administrative structure for post-2004 energy efficiency programs.

#### **Outcome Signed**

D05-10-048

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

#### 54 C04-01-020 - Conference with Legal Counsel - Application for Rehearing

[4997]

Disposition of Applications for Rehearing of D05-05-048 filed by Pacific Gas and Electric Company (PG&E) and Almond Tree Hulling Company et al. (Almond Tree). D05-05-048 determined that a group of almond hullers/shellers represented by Almond Tree are entitled to take electric service from PG&E under agricultural rates rather than the higher commercial rates they had previously been charged. Finding that almond hulling and shelling does not 'change the form of the agricultural product' within the meaning of PG&E's agricultural tariff, the Decision orders refunds from the date agricultural rates were first requested, and further requires the refunds to reflect whether or not the customers were on time-of-use rates.

#### **Outcome Signed**

D05-10-049

Yes: (Bohn, Brown, Grueneich, Kennedy, Peevey)

No: (none) Abstain: (none) Absent: (none)

#### 55 A04-09-028 - Conference with Legal Counsel - Application for Rehearing

[5009]

A04-09-029, A04-09-030, A04-09-031, A04-09-032, A04-09-033, A04-09-034, A04-09-035 - Related matters. Disposition of Application for Rehearing of D05-07-022 filed by California Water Service Company (CWS). D05-07-022 is a general rate case decision that establishes rates for eight CWS districts. The decision adopts a settlement of disputed issues jointly advocated by CWS and the Office of Ratepayer Advocates and denies the unopposed request of CWS for interim rate relief pursuant to Section 455.2 of Public Utilities Code.

#### Outcome Held (11/18/05.)